

Beauregard Council on Aging, Inc.
DeRidder, Louisiana

FINANCIAL STATEMENTS
June 30, 2012

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Beauregard Council on Aging, Inc.
DeRidder, Louisiana

I have audited the accompanying financial statements of the governmental activities, and each major fund of Beauregard Council on Aging, Inc., as of and for the year ended June 30, 2012, which collectively comprise Beauregard Council on Aging, Inc.'s basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Beauregard Council on Aging, Inc.'s management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, and each major fund of Beauregard Council on Aging, Inc., as of June 30, 2012, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated November 26, 2012, on my consideration of Beauregard Council on Aging, Inc.'s, internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 25 through 29 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Beauregard Council on Aging, Inc., has not presented management's discussion and analysis that governmental accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. My opinion on the basic financial statements is not affected by this missing information.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Beauregard Council on Aging, Inc.'s, financial statements as a whole. The combining and individual nonmajor fund financial statements and comparative schedule of general fixed assets are presented for purposes of additional analysis and are not a required part of the financial statements. The combining nonmajor fund financial statements and comparative schedule of general fixed assets are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "John A. Windham, CPA". The signature is written in a cursive, flowing style.

DeRidder, Louisiana
November 26, 2012

BASIC FINANCIAL STATEMENTS

Statement of Net Assets
June 30, 2012

ASSETS	
Current Assets	
Cash and cash equivalents	\$ 134,902
Grants receivable	10,688
Total current assets	<u>\$ 145,590</u>
Noncurrent Assets	
Capital assets, net	<u>\$ 3,049</u>
Total assets	<u><u>\$ 148,639</u></u>
LIABILITIES	
Current Liabilities	
Accounts payable	<u>\$ 2,200</u>
NET ASSETS	
Invested in capital assets	\$ 3,049
Unrestricted	115,239
Restricted	<u>28,151</u>
Total net assets	<u>\$ 146,439</u>
Total liabilities and net assets	<u><u>\$ 148,639</u></u>

The accompanying notes are an integral part of this statement.

Statement of Activities
For the Year Ended June 30, 2012

		Program Revenues			Net (Expenses) Revenues and Changes in Net Assets
	Expenses	Charges for Services	Fees Generated by Fundraiser	Operating Grants and Contributions	Program Services
Program Services:					
General government	\$ 3,471	\$ -	\$ 6,421	\$ 49,581	\$ 52,531
AAA fund	28,560	-	-	28,560	-
Audit fund	7,500	-	-	894	(6,606)
Title III C-1 fund	62,564	1,496	-	33,680	(27,388)
Title III C-2 fund	164,958	9,009	-	81,718	(74,231)
Energy fund	687	-	-	1,868	1,181
Title III B fund	92,791	2,644	-	70,716	(19,431)
Title III D fund	5,728	-	-	5,669	(59)
Title III E fund	26,388	-	-	26,196	(192)
Senior center	37,427	-	-	41,713	4,286
Supplemental senior center	-	-	-	3,100	3,100
United way	-	-	-	48,348	48,348
NSIP fund	-	-	-	27,802	27,802
MIPPA fund	2,200	-	-	2,200	-
Total program services	\$ 432,274	\$ 13,149	\$ 6,421	\$ 422,045	\$ 9,341
General revenues:					
Investment income					\$ 608
				Total general revenues	608
				Change in net assets	9,949
Net assets at beginning of year					136,490
Net assets at end of year					\$ 146,439

The accompanying notes are an integral part of the statement.

Statement of Financial Position
June 30, 2012

ASSETS	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
Current Assets			
Cash and cash equivalents	\$ 115,239	\$ 19,663	\$ 134,902
Grants receivable	-	10,688	10,688
Total assets	<u>\$ 115,239</u>	<u>\$ 30,351</u>	<u>\$ 145,590</u>
LIABILITIES			
Current Liabilities			
Accounts payable	<u>\$ -</u>	<u>\$ 2,200</u>	<u>\$ 2,200</u>
FUND BALANCES			
Fund Balances:			
Unassigned	\$ 115,239	\$ -	\$ 115,239
Restricted	-	28,151	28,151
Total fund balances	<u>\$ 115,239</u>	<u>\$ 28,151</u>	<u>\$ 143,390</u>
Total liabilities and fund balances	<u>\$ 115,239</u>	<u>\$ 30,351</u>	<u>\$ 145,590</u>

The accompanying notes are an integral part of this statement.

Reconciliation of the Governmental Funds Statement of Financial Position
to Statement of Net Assets
June 30, 2012

Total fund balance - total governmental funds	\$ 143,390
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheets.	<u>3,049</u>
Net assets of governmental activities	<u><u>\$ 146,439</u></u>

The accompanying notes are an integral part of this statement.

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2012

	<u>General Fund</u>	<u>Title III C-1 Fund</u>	<u>Title III C-2 Fund</u>	<u>Title III B Fund</u>	<u>United Way</u>	<u>Other Funds</u>	<u>Total Funds</u>
<u>SUPPORT AND REVENUE</u>							
<u>SUPPORT</u>							
Intergovernmental							
Governor's Office of Elderly Affairs	\$ 37,500	\$ 33,487	\$ 81,718	\$ 65,878	\$ -	\$ 102,684	\$ 321,267
United Way of America	-	-	-	-	48,348	-	48,348
Nutrition Services Incentive Program	-	-	-	-	-	27,802	27,802
Public support							
Public donations	12,081	-	-	-	-	-	12,081
Participant contributions	-	1,496	9,009	2,644	-	-	13,149
Utility assistance	-	-	-	-	-	1,868	1,868
In kind support	-	193	-	4,838	-	5,648	10,679
Total	<u>\$ 49,581</u>	<u>\$ 35,176</u>	<u>\$ 90,727</u>	<u>\$ 73,360</u>	<u>\$ 48,348</u>	<u>\$ 138,002</u>	<u>\$ 435,194</u>
Fundraising	<u>\$ 6,421</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,421</u>
Total Support	<u>\$ 56,002</u>	<u>\$ 35,176</u>	<u>\$ 90,727</u>	<u>\$ 73,360</u>	<u>\$ 48,348</u>	<u>\$ 138,002</u>	<u>\$ 441,615</u>
<u>REVENUE</u>							
Interest income	<u>\$ 608</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 608</u>
Total Support and Revenue	<u>\$ 56,610</u>	<u>\$ 35,176</u>	<u>\$ 90,727</u>	<u>\$ 73,360</u>	<u>\$ 48,348</u>	<u>\$ 138,002</u>	<u>\$ 442,223</u>
							(Continued)

The accompanying notes are an integral part of this statement.

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2012

	General Fund	Title III C-1 Fund	Title III C-2 Fund	Title III-B Fund	United Way	Other Funds	Total Funds
<u>EXPENDITURES</u>							
Program services:							
Health, Welfare and Social services							
Salaries and benefits	\$ 1,012	\$ 10,053	\$ 9,776	\$ 63,556	\$ -	\$ 57,647	\$ 142,044
Travel	14	67	65	618	-	739	1,503
Operating services	296	1,747	1,688	13,096	-	40,558	57,385
In kind operating services	-	193	-	4,838	-	5,648	10,679
Operating supplies	605	377	386	7,683	-	3,898	12,949
Other - meals	-	50,127	153,043	-	-	-	203,170
Total expenditures	\$ 1,927	\$ 62,564	\$ 164,958	\$ 89,791	\$ -	\$ 108,490	\$ 427,730
Excess (deficiency) of support and revenue over expenditures	\$ 54,683	\$ (27,388)	\$ (74,231)	\$ (16,431)	\$ 48,348	\$ 29,512	\$ 14,493
Other financing sources (uses)							
Operating transfers in	\$ -	\$ 27,388	\$ 74,231	\$ 16,431	\$ -	\$ 6,857	\$ 124,907
Operating transfers out	(35,501)	-	-	-	(48,348)	(41,058)	(124,907)
Total other financing sources (uses)	\$ (35,501)	\$ 27,388	\$ 74,231	\$ 16,431	\$ (48,348)	\$ (34,201)	\$ -
Net change in fund balances	\$ 19,182	\$ -	\$ -	\$ -	\$ -	\$ (4,689)	\$ 14,493
Fund balances, beginning of year	96,057	-	-	-	18,507	14,333	128,897
Fund balances, end of year	\$ 115,239	\$ -	\$ -	\$ -	\$ 18,507	\$ 9,644	\$ 143,390

(Concluded)

The accompanying notes are an integral part of this statement.

Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2012

Net change in fund balances - total governmental funds	\$ 14,493
Amounts reported for governmental activities in the statement of activities are different because:	
Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net assets, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds.	<u>(4,544)</u>
Change in net assets of governmental activities	<u>\$ 9,949</u>

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

1. PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Purpose of the Council on Aging

The purpose of the Council is to collect facts and statistics and make special studies of conditions pertaining to the employment, financial status, recreation, social adjustment, mental and physical health or other conditions affecting the welfare of the aging people of Beauregard Parish; to keep abreast of the latest developments in these fields of activity throughout Louisiana and the United States; to interpret its findings to the citizens of the parish; to provide for a mutual exchange of ideas and information on the parish and the state level; to conduct public meetings; to make recommendations for needed improvements and additional resources; to promote the welfare of aging people when requested to do so; to coordinate and monitor services of other local agencies serving the aging people of the parish; and to assist and cooperate with the Governor's Office of Elderly Affairs (GOEA) and other departments of state and local government serving the elderly; and to make recommendations relevant to the planning and delivery of services to the elderly of the parish.

Specific services provided by the Council to the elderly residents of Beauregard Parish include providing congregate and home delivered meals, nutritional education, personal care, information and assistance, outreach, material aid, utility assistance, homemakers, recreation, legal assistance, disease prevention, health promotion, and transportation.

B. Reporting Entity

In 1964, the State of Louisiana passed Act 456, which authorized the charter of voluntary councils on aging for the welfare of the aging people in their respective parishes. However, before the Council on aging can begin operations in a specific parish, its application for a charter must receive approval from the Governor's Office of Elderly Affairs pursuant to LA R.S. 46:1602. The functions of each council on aging in Louisiana must comply with the objectives of state laws and each council is governed by policies and regulations established by GOEA.

The Beauregard Council on Aging, Inc. is a legally separate, non-profit, quasi-public corporation. It received its charter and began operations on September 17, 1973.

A board of directors, consisting of 15 voluntary members, who serve three-year terms, governs the Council. The board of directors is comprised of but not limited to, representatives of the parish's elderly populations, general public, private businesses, and elected public officials. Board members are elected annually from general elections.

Membership in the Council is open at all times, without restriction, to all residents of Beauregard Parish who have reached the age of majority and who expresses an interest in the Council and wish to contribute to or share in its programs. Membership fees are not charged.

Based on the criteria set forth in GASB Statement 17, the Beauregard Council is not a component unit of another primary government nor does it have any component units that are related to it. In addition, based on criteria set forth in GASB Codification Section 2100, the Council has presented its financial statements as a primary government, because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB Statement 14, the term fiscally independent means that the Council may, without approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issued bonded debt. As previously mentioned, GOEA establishes the policies and regulations that all councils must follow. Included in its policies is a provision that the Council's budget is approved by GOEA. However, this approval process is part of GOEA's general oversight responsibility for the Council and is more ministerial or compliance oriented than substantive.

Notes to the Financial Statements (Continued)

Accordingly, the Council is viewed as being fiscally independent for purposes of applying the reporting entity criteria of GASB Statement 14.

C. Presentation of Statements

The Council's statements are prepared in accordance with accounting principles generally accepted (GAAP) in the United States of America as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict or contradict GASB pronouncements.

The Council has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds; however, the Council has chosen not to do so because it does not have any business-type activities or enterprise funds. The more significant accounting policies established in GAAP and used by the Council are discussed below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. Certain significant changes in the Statement include the following:

For the first time the financial statements include:

Governmental-Wide Financial statements prepared using full accrual accounting for all the Council's activities.

A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements).

D. Basic Financial Statements – Government-Wide Statements

The Council's basic financial statements include both Government-Wide (reporting the Council as a whole) and fund financial statements (reporting the Council's major funds). Both the Government-Wide and Fund Financial Statements categorize primary activities as either governmental or business type. The Council's functions and programs have been classified as governmental activities. The Council does not have any business-type activities, fiduciary funds, or any component units that are fiduciary in nature. Accordingly, the Government-Wide financial statements do not include any of these activities or funds.

In the Government-Wide Statement of Net Assets, the governmental type activities column (a) is presented on a consolidated basis by column, (b) and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Council's net assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. Invested in net assets, net of related debt consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those capital assets. Restricted net assets consist of net assets with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Unrestricted net assets include all other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Notes to the Financial Statements (Continued)

The Council's policy is to use restricted resources first to finance its activities except for nutrition services. When providing nutrition services, revenues earned by the Council under its USDA contract with GOEA can only be used to pay for the raw food component of each meal that is bought and served to a person eligible to receive a meal under one of the nutrition programs. The Council's management has discretion as to how and when to use the USDA revenues when paying for nutrition program costs. Quite often unrestricted resources are available for use that must be consumed or they will have to be returned to GOEA. In such cases it is better for management to elect to apply and consume the unrestricted resources before using the restricted resources. As a result, the Council will depart from its usual policy of using restricted resources first.

The Government-Wide Statement of Activities reports both gross and net cost of each of the Council's functions and significant programs. Many functions and programs are supported by general government revenues like intergovernmental revenues, and unrestricted investment income, particularly if the function or program has a net cost. The Statement of Activities begins by presenting gross direct and indirect expenses that include depreciation, and then reduces the expenses by related program revenues, such as operating and capital grants and contributions, to drive the net cost of each function or program. Program revenues must be directly associated with the function or program to be used to directly offset its cost. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants. The Council did not receive any capital-specific grants this year.

The Council allocates its indirect costs among various functions and programs in accordance with Circular A-87. In addition, GOEA provides grant funds to help the Council pay for a portion of its indirect costs. As a result, only the indirect costs in excess of the GOEA funds are allocated to the Council's other functions and programs.

The Government-Wide Statements focus upon the Council's ability to sustain operations and the change in its net assets resulting from the current year's activities.

E. Basic Financial Statements – Fund Financial Statements

The financial transactions of the Council are reported in individual funds in the Funds Financial Statements. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are reported by generic classification within the financial statements.

The Council uses governmental fund types. The focus of the governmental funds' measurement (in the fund statements) is on determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than on net income. An additional emphasis is placed on major funds within the governmental fund types. A fund is considered major if it is the primary operating fund of the Council or if its total assets, liabilities, revenues, or expenditures are at least 10% of the corresponding total for all funds of that category or type.

Governmental fund equity is called the fund balance. Fund balance is further classified as restricted and unassigned. Restricted means that the fund balance is not available for expenditures because resources have already been expended (but not consumed), or a legal restriction has been placed on certain assets that makes them only available to meet future obligations.

The council has not established a policy for use of the unrestricted fund balance, therefore it considers committed fund balances to be used first, then assigned fund balances to be used next and finally the unassigned fund balance will be used.

Notes to the Financial Statements (Continued)

The following is a description of the governmental funds of the Council:

- **General Fund** is the general operating fund of the Council. It is used to account for all financial resources except those in another fund.
- **Special Revenue Funds** are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service and capital projects. A large percentage of the Council's special revenue funds are Title III funds. These funds are provided by the United States Department of Health and Human Services – Administration on Aging to the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

The Council has established several special revenue funds. The following is a brief description of each special revenue fund's purpose:

Major Special Revenue Funds

Title III C-1 Congregate Meals Fund

The Title III C-1 Fund is used to account for funds, which are used to provide nutritional, congregate meals to the elderly in strategically located centers. During the fiscal year July 1, 2011 to June 30, 2012, the Council serviced approximately 9,508 congregate meals.

Title III C-2 Home Delivered Meals Fund

Title III C-2 Fund is used to account for funds, which are used to provide nutritional, home delivered meals to homebound older persons. During the fiscal year July 1, 2011 to June 30, 2012, the Council served approximately 29,935 home delivered meals.

Title III-B Supportive Services Fund

Title III-B Supportive Services Fund is used to account for funds which are to provide a variety of social services; such as, information and assistance, assess services, in-home services, community services, legal assistance, and outreach for people age 60 and older.

United Way – Homemaker/Sitter

Homemaker assistance is a program designed to help maintain normal household functioning when the family's life is threatened with disruptions by long or short-term illness, disability, social maladjustment, or other problems, which require assistance in the home to sustain independent living. Under this program, trained homemakers working under agency supervision and the supervision of social workers go into homes as substitute homemakers and assume responsibility for routine household activities such as menu planning, budgeting, shopping, child care, meal preparation, and general household management, including some light housekeeping.

Non-Major Special Revenue Funds

Senior Center Fund

The Senior Center fund is used to account for the administration of Senior Center Program funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance,

Beauregard Council on Aging, Inc.

Notes to the Financial Statements (Continued)

and encourage their dignity, and encourage their involvement in and with the community. The Council operates one senior center in Beauregard Parish, Louisiana.

N.S.I.P. Fund

The N.S.I.P. (National Services Incentive Program) Fund is used to account for the administration of Nutrition Program for the Elderly funds provided by the United States Department of Agriculture through the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council. This program reimburses the service provider about forty cents for each congregate and home-delivered meal serviced to an eligible participant so that United States food and commodities may be purchased to supplement these programs. Net assets of the N.S.I.P. Fund are restricted for the purposes stated above.

Audit Fund

The Audit Fund is used to account for funds received from the Governor's Office of Elderly Affairs that are restricted to use as a supplement to pay for the cost of having an annual audit or compilation of the Council's financial statements.

Title III-D Preventive Health Fund

The Title III-D Fund is used to account for funds used for disease prevention and health promotion activities or services, such as: (1) equipment and materials (scales to weigh people, educational material, and exercise equipment), (2) home injury control, (3) medication management, (4) mental health, and (5) nutrition (assessment/screening, counseling, and education). The law directs the state agency administering this program to "give priority to areas of the state which are medically underserved and in which there are a large number of older individuals who have the greatest economic and social need."

Supplemental Senior Center Fund

The Louisiana Legislature appropriated additional money for various councils on aging through the state to be used to supplement the primary state grant for senior centers. Beauregard Council on Aging, Inc. was one of the parish councils to receive a supplemental grant. These funds are "passed through" the Governor's Office of Elderly Affairs.

Title III-C Area Agency Administration (AAA) Fund

The Title III-C Area Agency Administration Fund is used to account for some of the administration cost associated with operating the Special Programs for the Aging.

Title III-E National Family Caregiver Support Fund

The Title III-E Fund is used to account for funds used to provide multifaceted systems of support services for family caregivers and for grandparents or older individuals who are relative caregivers, including in-home respite and respite care. In-home respite provides personal care in the home of the qualifying individual in order to provide a brief period of relief or rest for the client. Respite care provides temporary or periodic services for frail elderly or individuals with developmental disabilities including Adult Day Care/ Adult Day Health, Group Respite, In-Home Respite, and Institutional Respite.

Utility Assistance Fund

The Utility Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and employees and remit the funds directly to the Council or to the Louisiana Association of Councils on Aging (LACOA),

Notes to the Financial Statements (Continued)

which in turn remits funds relating to Beauregard Parish to the Council. These funds are used to provide financial assistance to the elderly for the payment of their utility bill.

MIPPA Fund

The MIPPA (Medicare Improvements for Patients and Providers Act) grant is an outreach grant that will assist our seniors, who are eligible for Medicare, take advantage of the Low Income Subsidy (LIS) program and the Medicare Savings Place (MSP). The Area Agency on Aging (AAA)'s responsibility in this grant process is to outreach and educate our seniors of these programs. These outreach efforts may include the following:

- Enrollment Assistance
- Enrollment Events
- Public Service Announcements regarding enrollment
- Outreach

F. Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues or expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. **Accrual Basis – Government-Wide Financial Statements (GWFS)**

The Statement of Net Assets and Statement of Activities display information about the Council as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenditures, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

2. **Modified Accrual Basis – Fund Financial Statements (FFS)**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Council considers all revenues "available" if they are collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

G. Interfund Activity

Interfund activity is reported as either loans or transfers. Loans between funds are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. All other interfund transactions are treated as transfers. Transfers represent a permanent reallocation of resources between funds. Transfers between funds are netted against one another as part of the reconciliation of the change in fund balances in the fund financial statements to the change in net assets in the Government-Wide Financial Statements.

Notes to the Financial Statements (Continued)

H. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and petty cash. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Cash and cash equivalents are reported at their carrying amounts that equal their fair values.

I. Capital Assets

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets that have been purchased or acquired with an original cost of at least \$1,000 and that have an estimated useful life of greater than one year. When purchased or acquired, these assets are recorded as capital assets in the Government-Wide Statement of Net Assets. In contrast, in the Fund Financial Statements, capital assets are recorded as expenditures of the fund that provided the resources to acquire the asset. If the asset was purchased, it is recorded in the books at its cost. If the asset was donated, then it is recorded at its estimated fair market value at the date of donation.

For capital assets recorded in the Government-Wide Financial Statements, depreciation is computed and recorded using the straight-line method for the asset's estimated useful life. The estimated useful lives of the various classes of depreciable capital assets are as follows:

Building Improvements	20-40 years
Equipment	5-15 years
Vehicles	5 years
Computers	5 years

Salvage values have not been estimated by management when calculating how much of an asset's cost needs to be depreciated except for vehicles. For that category of capital asset, management has used 10% of the vehicle's initial cost as a salvage value estimate.

Depreciation is not computed or recorded on capital assets for purposes of the Fund Financial Statements.

J. Unpaid Compensated Absences

Sick leave granted by this agency is vested. It is time off with pay for periods of illness or incapacity resulting from non-occupational injury, as well as for medical, dental, or optical examinations or treatment that cannot be arranged after hours. The Executive Director may request a physician's statement regarding any sick leave, at his/her discretion. Full-time employees accrue sick leave at a rate of one (1) day per month; twelve (12) days per year. Sick time earned begins to accrue with the first full month of employment. While sick leave accrues and is an aggregate total no payment will be paid for sick leave not taken upon termination of employment.

Annual Leave/ Vacation is based on the number years of service and is earned as follows:

	Days
One year to Five years	12
Five to Ten years	15
Ten years and over	21

The employee's hire date will become the employee's anniversary date. No annual leave may be taken until after the first full year of employment, and the same applies for all consecutive years.

An employee must submit an Application for Leave form approved by their supervisor and the Executive Director in order to receive annual leave.

Notes to the Financial Statements (Continued)

Department seniority will be adhered to for all annual leave taken (especially, during the holidays).

Full-time employees will be able to carry over ten (10) days annual leave to the following year. No pay will be granted in lieu of annual leave. All hours over 80 must be taken before January 31st of the New Year.

Payment will be made for any eligible accrued leave upon separation from employment.

The rate of pay for annual leave is the employee's current regular rate of pay.

K. Allocation of Indirect Expenses

The council reports all direct expenses by function and programs of functions in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function or program. Indirect expenses are recorded as direct expenses of the Administration function. GOEA provides funds to partially subsidize the council's Administration function. The unsubsidized net cost of the Administration function is allocated using a formula that is based primarily on the relationship the direct cost a program bears to the direct cost of all programs. There are some programs that cannot absorb any indirect cost allocation according to their grant or contract limitations.

L. Management's Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

M. Elimination and Reclassifications

In the process of aggregating data for the Statement of Net Assets and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

N. Fund Balances

Restricted Amounts that are restricted to specific purposes should be reported as restricted fund balance. Fund balance should be reported when constraints placed on the use of resources are either:

- a. Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
- b. Imposed by law through constitutional provisions or enabling legislation.

Unassigned Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

Notes to the Financial Statements (Continued)

2. REVENUE RECOGNITION

Revenues are recorded in the Government-Wide Statements when they are earned under the accrual basis of accounting. Revenues are recorded in the Fund Financial Statements using the modified accrual basis of accounting. In applying the susceptible to accrual concept using this program service fees, and interest income are usually both measurable and available. However, the timing and amounts of the receipts of public support and miscellaneous revenues are often difficult to measure; therefore, they are recorded as revenue in the period received.

3. CASH AND CASH EQUIVALENTS

At June 30, 2012, the Council had cash and cash equivalents (book balances) totaling \$134,902 as follows:

Interest bearing demand deposits	\$ 71,117
Demand deposits	63,785
Total	<u>\$ 134,902</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2012, the Council had \$163,405 in deposits (collected bank balances). These deposits are secured from risk by \$163,405 of federal deposit insurance.

4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2012, for the Council is as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets being depreciated				
Buildings	\$ 1,956	\$ -	\$ -	\$ 1,956
Machinery and equipment	11,482	-	-	11,482
Vehicles	32,147	-	-	32,147
Total capital assets being depreciated	<u>45,585</u>	<u>-</u>	<u>-</u>	<u>45,585</u>
Less accumulated depreciation for:				
Building	1,956	-	-	1,956
Machinery and equipment	7,639	1,544	-	9,183
Vehicles	28,397	3,000	-	31,397
Total accumulated depreciated	<u>37,992</u>	<u>4,544</u>	<u>-</u>	<u>42,536</u>
Total capital assets being depreciated, net	<u>\$ 7,593</u>	<u>\$ (4,544)</u>	<u>\$ -</u>	<u>\$ 3,049</u>

Beauregard Council on Aging, Inc.

Notes to the Financial Statements (Continued)

Depreciation expense of \$4,544 for the year ended June 30, 2012, was charged to the following governmental functions:

Title III B	\$ 3,000
General administration	1,544
Total	<u>\$ 4,544</u>

5. BOARD OF DIRECTORS' COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for any out-of-pocket costs they might incur on behalf of the Council in accordance with the Council's applicable reimbursement policy.

6. INCOME TAX STATUS

The Council, a non-profit corporation, is exempt from federal income taxation under Section 501 (c) (3) of the Internal Revenue Code of 1986 and is an organization that is not a private foundation as defined in Section 509 (a) of the Code. It is also exempt from Louisiana income tax.

7. JUDGEMENTS, CLAIMS, AND SIMILAR CONTINGENCIES

There is no litigation pending against the Council at June 30, 2012. Furthermore, the Council's management believed that any potential lawsuits would be adequately covered by insurance.

8. FEDERAL AWARDS PROGRAMS

The Council receives revenues from various federal and state grant programs, which are subject to final review and approval as to allowability of expenditures by respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period agreed upon by the agency and the Council. Also, it is management's opinion that any audits or reviews by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Council's financial position.

9. ECONOMIC DEPENDENCY

The Council receives the majority of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Council receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Council will receive in the next year.

Notes to the Financial Statements (Continued)

10. INTERFUND TRANSFERS

Operating transfers in and out are listed by fund for the fiscal year ended June 30, 2012:

	Funds Transferred To					Audit	Total
	Title III B	Title III C-1	Title III C-2	Title III D	Title III E		
<u>Transfer from</u>							
General fund	\$ 8,565	\$ 19,347	\$ 792	\$ -	\$ 192	\$ 6,606	\$ 35,502
Special Revenue Funds:							
Major Funds:							
United Way	\$ 3,580	\$ 5,000	\$ 39,767	\$ -	\$ -	\$ -	\$ 48,347
Non-Major funds:							
Senior Center	1,186	3,041	-	59	-	-	4,286
NSIP	-	-	33,672	-	-	-	33,672
Supplemental Senior Center	3,100	-	-	-	-	-	3,100
Total Special Revenue Funds:	\$ 7,866	\$ 8,041	\$ 73,439	\$ 59	\$ -	\$ -	\$ 89,405
Total all funds	\$ 16,431	\$ 27,388	\$ 74,231	\$ 59	\$ 192	\$ 6,606	\$ 124,907

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and to (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

These transfers were eliminated as a part of the consolidation process in preparing the Government-Wide Financial Statements.

11. RETIREMENT COMMITMENTS

Employees of the Council are participants in the social security system and retirement benefits are provided by that system.

12. RISK MANAGEMENT

The Council is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No settlements were made during the year that exceeded the Council's insurance coverage.

Beauregard Council on Aging, Inc.

Notes to the Financial Statements (Concluded)

13. RECEIVABLES

The receivables of \$10,688 at June 30, 2012 are as follows:

<u>Class of receivable</u>	
Intergovernmental - grants	
Title III-E fund	\$ 9,388
MIPPA fund	1,300
Total	<u>\$ 10,688</u>

14. RESTRICTED FUND BALANCE/NET ASSETS

The Special Revenue Funds – Restricted cash of specific revenue sources for specified purposes of the special revenue funds.

Restricted assets:	
Cash accounts	\$ 19,663
Grants receivable	10,688
Total	<u>\$ 30,351</u>
Less-liabilities payable	
from restricted assets	(2,200)
Restricted fund balance/net assets	<u>\$ 28,151</u>

SUPPLEMENTARY INFORMATION REQUIRED BY GASB STATEMENT 34

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual Amount	Budget to GAAP	Actual Amount
	Original	Final	Budgetary Basis	differences over (under)	GAAP Basis
<u>SUPPORT AND REVENUE</u>					
<u>SUPPORT</u>					
PCOA revenue	\$ 37,500	\$ 37,500	\$ 37,500	\$ -	\$ 37,500
Public donations	3,405	12,000	12,081	81	12,081
Total	<u>\$ 40,905</u>	<u>\$ 49,500</u>	<u>\$ 49,581</u>	<u>\$ 81</u>	<u>\$ 49,581</u>
Fundraising	\$ -	\$ 6,421	\$ 6,421	\$ -	\$ 6,421
Total support	<u>\$ 40,905</u>	<u>\$ 55,921</u>	<u>\$ 56,002</u>	<u>\$ 81</u>	<u>\$ 56,002</u>
<u>REVENUE</u>					
Interest income	\$ -	\$ 608	\$ 608	\$ -	\$ 608
Total support and revenue	<u>\$ 40,905</u>	<u>\$ 56,529</u>	<u>\$ 56,610</u>	<u>\$ 81</u>	<u>\$ 56,610</u>
<u>EXPENDITURES</u>					
Program services:					
Health, Welfare and Social services					
Salaries and benefits	\$ 1,631	\$ 2,522	\$ 1,012	\$ 1,510	\$ 1,012
Travel	22	27	14	13	14
Operating services	1,639	2,372	296	2,076	296
Operating supplies	113	159	605	(446)	605
Total expenditures	<u>\$ 3,405</u>	<u>\$ 5,080</u>	<u>\$ 1,927</u>	<u>\$ 3,153</u>	<u>\$ 1,927</u>
Excess (deficiency) of support and revenue over expenditures	<u>\$ 37,500</u>	<u>\$ 51,449</u>	<u>\$ 54,683</u>	<u>\$ 3,234</u>	<u>\$ 54,683</u>
Other financing sources (uses)					
Transfers out	<u>\$ (37,500)</u>	<u>\$ (35,501)</u>	<u>\$ (35,501)</u>	<u>\$ -</u>	<u>\$ (35,501)</u>
Net change in fund balances	\$ -	\$ 15,948	\$ 19,182	\$ 3,234	\$ 19,182
Fund balances, beginning of year	<u>-</u>	<u>96,057</u>	<u>96,057</u>	<u>-</u>	<u>96,057</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ 112,005</u>	<u>\$ 115,239</u>	<u>\$ 3,234</u>	<u>\$ 115,239</u>

Title III C-1 Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual Amount	Budget to GAAP	Actual Amount
	Original	Final	Budgetary Basis	differences over (under)	GAAP Basis
<u>SUPPORT</u>					
GOEA support	\$ 33,487	\$ 33,487	\$ 33,487	\$ -	\$ 33,487
Participant contributions	-	1,602	1,496	(106)	1,496
In kind support	193	193	193	-	193
Total support	<u>\$ 33,680</u>	<u>\$ 35,282</u>	<u>\$ 35,176</u>	<u>\$ (106)</u>	<u>\$ 35,176</u>
<u>EXPENDITURES</u>					
Program services:					
Health, Welfare and Social services					
Salaries and benefits	\$ 10,448	\$ 9,946	\$ 10,053	\$ (107)	\$ 10,053
Travel	74	61	67	(6)	67
Operating services	1,414	1,454	1,747	(293)	1,747
In kind operating services	193	193	193	-	193
Operating supplies	403	366	377	(11)	377
Other meals	58,450	50,650	50,127	523	50,127
Total expenditures	<u>\$ 70,982</u>	<u>\$ 62,670</u>	<u>\$ 62,564</u>	<u>\$ 106</u>	<u>\$ 62,564</u>
Excess (deficiency) of support over expenditures	<u>\$ (37,302)</u>	<u>\$ (27,388)</u>	<u>\$ (27,388)</u>	<u>\$ -</u>	<u>\$ (27,388)</u>
Other financing sources (uses)					
Transfers in	<u>\$ 37,302</u>	<u>\$ 27,388</u>	<u>\$ 27,388</u>	<u>\$ -</u>	<u>\$ 27,388</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Title III C-2 Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual Amount	Budget to GAAP	Actual Amount
	Original	Final	Budgetary Basis	differences over (under)	GAAP Basis
<u>SUPPORT</u>					
GOEA support	\$ 81,718	\$ 81,718	\$ 81,718	\$ -	\$ 81,718
Participant contributions	10,500	18,200	9,009	(9,191)	9,009
Total support	<u>\$ 92,218</u>	<u>\$ 99,918</u>	<u>\$ 90,727</u>	<u>\$ (9,191)</u>	<u>\$ 90,727</u>
<u>EXPENDITURES</u>					
Program services:					
Health, Welfare and Social services					
Salaries and benefits	\$ 10,448	\$ 9,671	\$ 9,776	\$ (105)	\$ 9,776
Travel	74	59	65	(6)	65
Operating services	1,414	1,413	1,688	(275)	1,688
Operating supplies	403	356	386	(30)	386
Other-meals	167,050	162,650	153,043	9,607	153,043
Total expenditures	<u>\$ 179,389</u>	<u>\$ 174,149</u>	<u>\$ 164,958</u>	<u>\$ 9,191</u>	<u>\$ 164,958</u>
Excess (deficiency) of support over expenditures	<u>\$ (87,171)</u>	<u>\$ (74,231)</u>	<u>\$ (74,231)</u>	<u>\$ -</u>	<u>\$ (74,231)</u>
Other financing sources					
Transfers in	<u>\$ 87,171</u>	<u>\$ 74,231</u>	<u>\$ 74,231</u>	<u>\$ -</u>	<u>\$ 74,231</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Title III B Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual Amount	Budget to GAAP	Actual Amount
	Original	Final	Budgetary Basis	differences over (under)	GAAP Basis
<u>SUPPORT</u>					
GOEA support	\$ 65,878	\$ 65,878	\$ 65,878	\$ -	\$ 65,878
Participant contributions	2,000	3,457	2,644	(813)	2,644
In kind support	4,838	4,838	4,838	-	4,838
Total support	<u>\$ 72,716</u>	<u>\$ 74,173</u>	<u>\$ 73,360</u>	<u>\$ (813)</u>	<u>\$ 73,360</u>
<u>EXPENDITURES</u>					
Program services:					
Health, Welfare and Social services					
Salaries and benefits	\$ 64,591	\$ 63,734	\$ 63,556	\$ 178	\$ 63,556
Travel	571	592	618	(26)	618
Operating services	14,526	14,489	13,096	1,393	13,096
In kind operating services	4,838	4,838	4,838	-	4,838
Operating supplies	7,224	6,951	7,683	(732)	7,683
Total expenditures	<u>\$ 91,750</u>	<u>\$ 90,604</u>	<u>\$ 89,791</u>	<u>\$ 813</u>	<u>\$ 89,791</u>
Excess (deficiency) of support over expenditures	<u>\$ (19,034)</u>	<u>\$ (16,431)</u>	<u>\$ (16,431)</u>	<u>\$ -</u>	<u>\$ (16,431)</u>
Other financing sources					
Transfers in	<u>\$ 19,034</u>	<u>\$ 16,431</u>	<u>\$ 16,431</u>	<u>\$ -</u>	<u>\$ 16,431</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

United Way
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
For the Year Ended June 30, 2012

	Budgeted Amounts		Actual Amount	Budget to GAAP	Actual Amount
	Original	Final	Budgetary Basis	differences over (under)	GAAP Basis
<u>SUPPORT</u>					
United Way of America	\$ 48,348	\$ 48,348	\$ 48,348	\$ -	\$ 48,348
Public donations	-	-	-	-	-
Total support	<u>\$ 48,348</u>	<u>\$ 48,348</u>	<u>\$ 48,348</u>	<u>\$ -</u>	<u>\$ 48,348</u>
<u>EXPENDITURES</u>					
Program services:					
Health, Welfare and Social services					
Salaries and benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Travel	-	-	-	-	-
Operating services	-	-	-	-	-
In kind operating services	-	-	-	-	-
Operating supplies	-	-	-	-	-
Total expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of support over expenditures	<u>\$ 48,348</u>	<u>\$ 48,348</u>	<u>\$ 48,348</u>	<u>\$ -</u>	<u>\$ 48,348</u>
Other financing uses					
Transfers out	<u>\$ (48,348)</u>	<u>\$ (48,348)</u>	<u>\$ (48,348)</u>	<u>\$ -</u>	<u>\$ (48,348)</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances, beginning of year	<u>18,507</u>	<u>18,507</u>	<u>18,507</u>	<u>-</u>	<u>18,507</u>
Fund balances, end of year	<u>\$ 18,507</u>	<u>\$ 18,507</u>	<u>\$ 18,507</u>	<u>\$ -</u>	<u>\$ 18,507</u>

SUPPLEMENTARY INFORMATION REQUIRED BY GOEA

Schedule of Non-Major Special Revenues Funds
Combining Statement of Revenues and Expenditures
For the Year Ended June 30, 2012

	Title III D Fund	AAA Fund	Title III E Fund	Audit	Senior Center	Senior Center Supplemental	Utility Assistance Fund	NSIP Fund	MIPPA Fund	Total
Support										
Intergovernmental										
Governor's Office of Elderly Affairs	\$ 4,289	\$ 27,371	\$ 26,196	\$ 894	\$ 38,634	\$ 3,100	\$ -	\$ -	\$ 2,200	\$ 102,684
Nutrition Services Incentive Program	-	-	-	-	-	-	-	27,802	-	27,802
Public support										
Utility assistance	-	-	-	-	-	-	1,868	-	-	1,868
In kind support	1,380	1,189	-	-	3,079	-	-	-	-	5,648
Total support	\$ 5,669	\$ 28,560	\$ 26,196	\$ 894	\$ 41,713	\$ 3,100	\$ 1,868	\$ 27,802	\$ 2,200	\$ 138,002
Expenditures										
Health and Welfare and Social Services										
Salaries and benefits	\$ 3,686	\$ 21,123	\$ 2,795	\$ -	\$ 28,967	\$ -	\$ -	\$ -	\$ 1,076	\$ 57,647
Travel	39	238	19	-	443	-	-	-	-	739
Operating services	485	4,678	23,365	7,500	3,843	-	687	-	-	40,558
Operating supplies	138	1,332	209	-	1,095	-	-	-	1,124	3,898
In kind operating services	1,380	1,189	-	-	3,079	-	-	-	-	5,648
Total expenditures	\$ 5,728	\$ 28,560	\$ 26,388	\$ 7,500	\$ 37,427	\$ -	\$ 687	\$ -	\$ 2,200	\$ 108,490
Excess (deficiency) of support over expenditures	\$ (59)	\$ -	\$ (192)	\$ (6,606)	\$ 4,286	\$ 3,100	\$ 1,181	\$ 27,802	\$ -	\$ 29,512
Other financing sources (uses)										
Transfers in	\$ 59	\$ -	\$ 192	\$ 6,606	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,857
Transfers out	-	-	-	-	(4,286)	(3,100)	-	(33,672)	-	(41,058)
Total other financing sources (uses)	\$ 59	\$ -	\$ 192	\$ 6,606	\$ (4,286)	\$ (3,100)	\$ -	\$ (33,672)	\$ -	\$ (34,201)
Net change in fund balances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,181	\$ (5,870)	\$ -	\$ (4,689)
Fund balances at beginning of year	-	-	-	-	-	-	2,589	11,744	-	14,333
Fund balances at end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,770	\$ 5,874	\$ -	\$ 9,644

Comparative Schedule of General Fixed Assets
and Changes in General Fixed Assets
For the Year Ended June 30, 2012

	Beginning Balance	Increase	Decrease	Ending Balance
General Fixed Assets				
Buildings	\$ 1,956	\$ -	\$ -	\$ 1,956
Machinery and equipment	11,482	-	-	11,482
Vehicles	32,147	-	-	32,147
Total capital assets being depreciated	<u>\$ 45,585</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,585</u>
Invested in General Fixed Assets				
Property acquired with funds from				
United Way	\$ 1,300	\$ -	\$ -	\$ 1,300
Senior Center	81	-	-	81
Title III C AAA	399	-	-	399
Title III B	537	-	-	537
Title III C-1	2,031	-	-	2,031
Title III C-2	75	-	-	75
Title III D	42	-	-	42
Title III E	17	-	-	17
Local Funds	41,103	-	-	41,103
Total Invested in General Fixed Assets	<u>\$ 45,585</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,585</u>

OTHER REPORTS

Schedule of Prior Year Audit Findings
Year Ended June 30, 2012

Findings – Financial Statement Audit

There were no prior year audit findings reported as of June 30, 2011.

Schedule of Current Year Audit Findings and Management's Response
Year Ended June 30, 2012

Findings – Financial Statements Audit

There were no current year audit findings reported as of June 30, 2012.

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Board of Directors
Beauregard Council on Aging, Inc.
DeRidder, Louisiana

I have audited the financial statements of the governmental activities and each major fund of Beauregard Council on Aging, Inc., as of and for the year ended June 30, 2012, which collectively comprise Beauregard Council on Aging, Inc.'s, basic financial statements and have issued my report thereon dated November 26, 2012. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

Management of Beauregard Council on Aging, Inc. is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing my audit, I considered Beauregard Council on Aging, Inc.'s, internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Beauregard Council on Aging Inc.'s internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of Beauregard Council on Aging Inc.'s internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combinations of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement, of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Beauregard Council on Aging, Inc.'s, financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions

was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management, Board of Directors, others within the organization, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties, although under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in black ink that reads "J. M. Windham, CPA". The signature is written in a cursive, flowing style.

DeRidder, Louisiana
November 26, 2012